

OLYMPUS

Date: 23-Nov-04

Proposal for: SAN MATEO MEDICAL CENTER
 222 West 39th Avenue
 San Mateo, CA 94403
 Attn: Cesar Calderon, Director, Materials Management

Olympus is proposing a Cost Per Reportable Agreement to satisfy your chemistry testing needs. The chemistry system(s) will be available through a direct purchase or lease and the CPR Agreement will include service, reagents, calibrators and consumables

The Olympus CPR Benefits include:

Better Cost Management

- * Flexible acquisition options
- * Predictable monthly rates
- * Controllable bottom line
- * Expertise in inventory mgt.
- * Quarterly efficiency reports

No Hidden Costs

- * Service Included
- * Ancillary product included
- * Reagents, calibrators and consumables included

Comprehensive Support

- * 24 hour technical support hotline
- * Two preventive maintenance visits per year per analyzer
- * Complete installation and validation assistance

Minimum Risk

- * Achieve your budget targets and goals

The Cost Per Reportable Agreement includes: Full service for (1) AU640e , Full service for (1) AU400e Reagents, Calibrators and Consumables

Also included in the prices set forth below: Up to \$12,000.00 for LIS Interface(s)
 Up to \$7,000.00 for Water System(s)
 Up to \$8,000.00 for AU400 / AU640 UPS System(s)
 Up to \$4,890.00 for Waste Pump(s)
 Up to \$500.00 for Sonicator(s)
 Instrument Shipping
 Olympus will provide training for two (2) operators per chemistry system
 Except as otherwise provided in the contract, pricing will remain firm for 5 years

Purchase:	List Price	Discount	Net Price
1 AU640e	\$185,000.00	\$60,072.00	\$124,928.00
1 AU400e	\$130,000.00	\$38,000.00	\$92,000.00
Total			\$216,928.00
Lease:	Transaction Type	Term	Monthly Payment
1 AU640e	FMV	60	\$2,348.65
1 AU400e	FMV	60	\$1,729.60
Total			\$4,078.25

Agreement Term: 60 Months
Transaction Type: Operating (FMV)

OLYMPUS AMERICA INC.

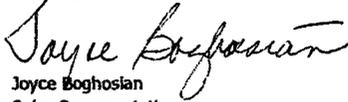
TWO CORPORATE CENTER DRIVE, MELVILLE, NY 11747-3157
 TELEPHONE (631) 844-5000

<i>Test Levels</i>	<i>CPR Price</i>	<i>Reportable</i>		
		<i>Tests per year</i>	<i>Cost per year</i>	<i>Cost per month</i>
Level 1 Price	\$0.117	452,730	\$52,969.41	\$4,414.12
Level 2 Price	\$0.117	48,600	\$5,686.20	\$473.85
Level 3 Price	\$0.550	15,149	\$8,331.95	\$694.33
Level 4 Price	NA	0	\$0.00	\$0.00
Level 5 Price	NA	0	\$0.00	\$0.00
Level 6 Price	NA	0	\$0.00	\$0.00
Level 7 Price	\$0.640	12,716	\$8,138.24	\$678.19
<i>Other</i>				
Disopyramide	NA	0	\$0.00	\$0.00
Ethosuximide	NA	0	\$0.00	\$0.00
HbA1c	NA	0	\$0.00	\$0.00
High Sensitivity CRP	NA	0	\$0.00	\$0.00
Lithium	NA	0	\$0.00	\$0.00
Methotrexate	NA	0	\$0.00	\$0.00
			\$75,125.80	\$6,280.49

On a monthly basis, if and when you achieve your minimum test volume commitment of 41,778 tests for test levels 1 & 2, then the CPR price shall be reduced to \$0.069 for the remainder of that particular month.

This proposal is valid for thirty days from the date listed on the first page of this document. If this proposal is acceptable, or if any questions should arise concerning this proposal, please contact me directly at (800) 223-0125, ext. 6092.

Sincerely,



Joyce Boghosian
Sales Representative

OLYMPUS AMERICA INC.

TWO CORPORATE CENTER DRIVE, MELVILLE, NY 11747-3157
TELEPHONE (631) 844-5000

OLYMPUS

	Annual Reportable Test Volume		Annual Reportable Test Volume
Level 1		Level 5	
Albumin	25,842	ALPHA 1 ACID GLYCOPROTEIN	0
Alkaline Phosphatase	25,847	ALPHA 1 ANTITRYPSIN	0
ALT	27,161	ANTI-STREPTOLYSIN O	0
AST	26,840	APOLIPOPROTEIN A1	0
CO2	35,964	APOLIPOPROTEIN B	0
Calcium	34,442	C3	0
Cholesterol	12,216	C4	0
Creatinine	42,023	Ceruloplasmin	0
Glucose HK	40,082	C-REACTIVE PROTEIN	0
Inorganic Phosphorous	3,442	Ferritin	0
ISE Potassium	37,038	Haptoglobin	0
ISE Sodium	36,287	IG A	0
ISE Chloride	36,000	IG G	0
LDH	1,277	IG M	0
Magnesium	4,987	Rheumatoid Factor	0
Total Protein	25,665	Transferrin	0
Urea Nitrogen	37,617		
Total Level 1	452,730	Total Level 5	0
Level 2		Level 6	
Direct Bilirubin	5,712	Amikacin	0
Total Bilirubin	26,181	Carbamazepine	0
CK NAC	2,850	Digoxin	0
GGT	201	Gentamicin	0
Iron	949	NAPA	0
Triglycerides	9,985	Phenobarbital	0
UIBC	949	Phenytoin	0
Uric Acid	1,773	Primidone	0
Total Level 2	48,600	Procainamide	0
		Quinidine	0
Level 3		Theophylline	0
Ammonia	0	Tobramycin	0
Amylase	2,584	Valproic Acid	0
Cholinesterase	0	Vancomycin	0
CK-MB	0	Total Level 6	0
HDL-Cholesterol (Direct)	12,500		
Lactate	65	Level 7	
T Uptake	0	Amphetamine/Methamphetamine	1,975
Thyroxine	0	Barbiturate	1,975
Urinary Protein	0	Barbiturate (Serum)	0
Total Level 3	15,149	Benzodiazepine	1,975
		Benzodiazepine (Serum)	0
Level 4		Cannabinoid	1,975
Acetaminophen	0	Cocaine Metabolite	1,975
b2-microglobulin	0	Ethanol	866
Caffeine	0	LSD	0
LDL-Cholesterol (Direct)	0	Methadone	0
Lidocaine	0	Methaqualone	0
Lipase	0	Opiates	1,975
Microalbumin	0	Phencyclidine	0
Prealbumin	0	Propoxyphene	0
Salicylate	0	Tricyclics	0
Total Level 4	0	Total Level 7	12,716
		OTHER	
		Disopyramide	0
		Ethosuximide	0
		HbA1c	0
		High Sensitivity CRP	0
		Lithium	0
		Methotrexate	0
		Total Level 8	0
		Grand Total	529,195

OLYMPUS AMERICA INC.

TWO CORPORATE CENTER DRIVE, MELVILLE, NY 11747-3157
TELEPHONE (631) 844-5000

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: Olympus America Inc
 Contact Person: Barry Chapman
 Address: Two Corporate Center Drive, P.O. Box 9058
Helville, NY 11747
 Phone Number: 631-844-5000
 Fax Number: 631-844-5930

II Employees

Does the Contractor have any employees? Yes No

Does the Contractor provide benefits to spouses of employees? Yes No

If the answer to one or both of the above is no, please skip to Section IV.

III Equal Benefits Compliance (Check one)

- Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
- Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- No, the Contractor does not comply.
- The Contractor is under a collective bargaining agreement which began on _____ (date) and expires on _____ (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

[Signature]
 Signature
Vice President HR
 Title

Barry J. Chapman
 Name (Please Print)
11/24/04
 Date